



Milwaukee County

Employees' Retirement System
of Milwaukee County
Monthly Update
November 30, 2012

Total Fund Composite

Manager Status

Market Value: \$1,730.2 Million and 100.0% of Fund

Investment Manager	Asset Class	Status	Reason
J.P. Morgan	Core Fixed Income	In Compliance	---
Mellon Capital	Core Fixed Income	In Compliance	---
Boston Partners	Large-Cap Value	In Compliance	---
Mellon Capital	Large-Cap Core	In Compliance	---
Artisan Partners	Mid-Cap Growth	In Compliance	---
Geneva Capital	Mid-Cap Growth	In Compliance	---
AQR	Small-Cap Value	Alert	Performance
Fiduciary Management	Small-Cap Value	In Compliance	---
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	In Compliance	---
Barings	Non-U.S. Large-Cap Core	In Compliance	---
GMO Small-Cap	Non-U.S. Small-Cap Value	In Compliance	---
Barings EM	Emerging Markets	Alert	Performance
ABS	Hedged Equity Hedge FoF	In Compliance	---
K2	Hedged Equity Hedge FoF	Alert	Organizational Issues
American Realty Advisors	Core Real Estate	In Compliance	---
Morgan Stanley	Core Real Estate	In Compliance	---
UBS	Core Real Estate	In Compliance	---
IFM	Core Infrastructure	In Compliance	---
J.P. Morgan	Core Infrastructure	In Compliance	---
Adams Street	Private Equity	In Compliance	---
Siguler Guff	U.S. Private Equity FoF	In Compliance	---

Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – The investment manager states it is acting in accordance with the Investment Policy Guidelines.

Alert – The investment manager is notified of a problem in performance (usually related to a benchmark or volatility measure), a change in investment characteristics, an alteration in management style or key investment professionals, and/or any other irregularities.

On Notice – The investment manager is notified of continued concern with one or more Alert issues. Failure to improve upon stated issues within a specific time frame justifies termination.

Termination – The Trustees have decided to terminate the investment manager. The investment manager is notified and transition plans are in place.

Total Fund Composite

Market Value: \$1,730.2 Million and 100.0% of Fund

Ending November 30, 2012

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		1,730,235,461	-46,315,217	100.0	100.0	0
Fixed Income Composite		465,848,456	-10,139,397	26.9	29.0	-35,919,810
J.P. Morgan	Core Fixed Income	336,044,167	-126,439	19.4		
Mellon Capital	Core Fixed Income	129,804,289	-10,012,958	7.5		
U.S. Equity Composite		423,704,747	-397,630	24.5	23.0	25,750,591
Boston Partners	Large-Cap Value	129,952,608	-66,252	7.5	7.0	8,836,126
Mellon Capital	Large-Cap Core	109,711,064	-10,997	6.3	6.0	5,896,936
Artisan Partners	Mid-Cap Growth	51,112,736	-100,163	3.0	2.5	7,856,850
Geneva Capital	Mid-Cap Growth	39,660,376	-36,146	2.3	2.5	-3,595,511
AQR	Small-Cap Value	42,862,846	-100,594	2.5	2.5	-393,041
Fiduciary Management	Small-Cap Value	50,405,117	-83,478	2.9	2.5	7,149,231
International Equity Composite		336,141,971	-7,584,412	19.4	18.0	24,699,571
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	90,328,033	90,000,000	5.2	6.0	-13,486,095
Barings	Non-U.S. Large-Cap Core	118,412,125	0	6.8	6.0	14,597,997
GMO Small-Cap	Non-U.S. Small-Cap Value	69,902,980	0	4.0	3.0	17,995,916
Barings EM	Emerging Markets	57,498,833	0	3.3	3.0	5,591,769
Hedged Equity Composite		179,944,227	-3,800,000	10.4	10.0	6,920,680
ABS	Hedged Equity Hedge FoF	89,528,251	-3,800,000	5.2	5.0	3,016,478
K2	Hedged Equity Hedge FoF	90,415,975	0	5.2	5.0	3,904,202
Real Estate Composite		125,474,283	-16,847,585	7.3	7.0	4,357,800
American Realty Advisors	Core Real Estate	32,618,046	-484,050	1.9		
Morgan Stanley	Core Real Estate	77,129,585	-16,180,264	4.5		
UBS	Core Real Estate	15,726,178	-156,427	0.9		
Infrastructure Composite		127,453,606	-11,144,233	7.4	7.0	6,337,123
IFM	Core Infrastructure	66,192,261	-10,000,000	3.8	3.5	5,634,020
J.P. Morgan	Core Infrastructure	61,261,345	-1,144,233	3.5	3.5	703,104

Total Fund Composite

Market Value: \$1,730.2 Million and 100.0% of Fund

Ending November 30, 2012

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Private Equity Composite		41,111,734	863,928	2.4	6.0	-62,702,393
Progress	U.S. Private Equity FoF	28,518	0	0.0		
Brinson 1998	U.S. Private Equity FoF	68,167	-6,623	0.0		
Brinson 1999	U.S. Private Equity FoF	328,435	-93,573	0.0		
Brinson 2000	U.S. Private Equity FoF	1,187,972	0	0.1		
Brinson 2001	U.S. Private Equity FoF	2,105,043	-155,675	0.1		
Brinson 2002	U.S. Private Equity FoF	1,578,114	0	0.1		
Brinson 2003	U.S. Private Equity FoF	1,273,686	-99,732	0.1		
Brinson 2004	U.S. Private Equity FoF	1,859,877	-173,913	0.1		
Adams Street 2005	U.S. Private Equity FoF	7,291,015	-129,819	0.4		
Adams Street 2009	U.S. Private Equity FoF	11,620,865	663,263	0.7		
Adams Street 2012	Global Divers. Private Equity FoF	2,136,000	860,000	0.1		
Siguler Guff	U.S. Private Equity FoF	11,634,042	0	0.7		
Total Cash Equivalents		30,556,437	2,734,112	1.8	0.0	30,556,437

Total Fund Composite

Annualized Performance (Gross of Fees)

Market Value: \$1,730.2 Million and 100.0% of Fund

Ending November 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	0.6%	2.6%	9.5%	9.8%	6.8%	7.7%	11.2%	2.5%	5.0%	7.9%
<i>Total Fund Benchmark</i>	0.6%	2.1%	8.9%	9.4%	6.8%	7.6%	11.6%	2.1%	4.7%	7.1%
Fixed Income Composite	0.3%	0.7%	4.9%	5.9%	5.6%	6.2%	9.8%	6.6%	6.6%	7.0%
<i>Barclays Aggregate</i>	0.2%	0.5%	4.4%	5.5%	5.5%	5.7%	7.1%	6.0%	6.0%	5.4%
U.S. Equity Composite	0.8%	1.4%	14.4%	14.5%	10.0%	12.1%	16.6%	2.5%	4.7%	8.0%
<i>Dow Jones U.S. Total Stock Market</i>	0.7%	1.5%	15.0%	15.9%	11.4%	12.0%	15.6%	1.8%	4.4%	7.2%
International Equity Composite	1.2%	6.4%	12.4%	10.1%	2.6%	3.7%	11.1%	-4.6%	-0.3%	4.0%
<i>MSCI ACWI ex USA Gross</i>	1.9%	6.2%	13.4%	12.2%	3.0%	3.9%	13.3%	-3.4%	4.2%	9.5%
Hedged Equity Composite	0.9%	1.8%	5.5%	5.0%	1.5%	--	--	--	--	--
<i>HFRX Equity Hedge Index</i>	0.5%	1.7%	4.4%	3.5%	-5.8%	-2.8%	0.6%	-5.0%	-1.6%	0.6%
<i>Russell 3000</i>	0.8%	1.6%	15.0%	16.0%	11.4%	11.8%	15.5%	1.7%	4.2%	6.9%
<i>MSCI ACWI</i>	1.3%	3.8%	13.6%	13.3%	6.3%	6.6%	13.4%	-1.8%	3.6%	7.3%
Real Estate Composite	0.0%	3.2%	9.3%	12.2%	14.6%	14.4%	20.4%	2.9%	5.2%	11.6%
<i>Custom Real Estate Benchmark</i>	0.0%	0.8%	7.6%	8.5%	12.1%	14.2%	20.4%	0.0%	3.9%	10.3%
<i>NFI</i>	0.0%	0.9%	8.4%	9.5%	13.0%	13.1%	-0.3%	-1.4%	3.5%	6.5%
Infrastructure Composite	-0.1%	4.3%	8.5%	10.1%	9.7%	--	--	--	--	--
<i>CPI +4%</i>	0.3%	1.4%	6.2%	6.3%	6.9%	6.3%	6.2%	6.0%	6.4%	6.6%
Private Equity Composite	0.0%	4.2%	7.8%	11.5%	11.9%	13.0%	7.4%	4.8%	11.1%	11.9%
<i>Venture Economics All PE</i>	0.0%	0.0%	5.1%	6.7%	8.5%	11.4%	10.4%	4.4%	8.8%	11.8%

Investment Manager

Annualized Performance (Gross of Fees)

Market Value: \$1,730.2 Million and 100.0% of Fund

Ending November 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	0.6%	2.6%	9.5%	9.8%	6.8%	7.7%	11.2%	2.5%	5.0%	7.9%
<i>Total Fund Benchmark</i>	0.6%	2.1%	8.9%	9.4%	6.8%	7.6%	11.6%	2.1%	4.7%	7.1%
Fixed Income Composite	0.3%	0.7%	4.9%	5.9%	5.6%	6.2%	9.8%	6.6%	6.6%	7.0%
<i>Barclays Aggregate</i>	0.2%	0.5%	4.4%	5.5%	5.5%	5.7%	7.1%	6.0%	6.0%	5.4%
J.P. Morgan	0.3%	0.9%	5.2%	6.0%	5.6%	5.8%	7.7%	6.4%	6.3%	--
<i>Barclays Aggregate</i>	0.2%	0.5%	4.4%	5.5%	5.5%	5.7%	7.1%	6.0%	6.0%	5.4%
Mellon Capital	0.2%	0.5%	4.5%	5.6%	5.5%	5.7%	7.1%	6.1%	6.1%	5.4%
<i>Barclays Aggregate</i>	0.2%	0.5%	4.4%	5.5%	5.5%	5.7%	7.1%	6.0%	6.0%	5.4%
U.S. Equity Composite	0.8%	1.4%	14.4%	14.5%	10.0%	12.1%	16.6%	2.5%	4.7%	8.0%
<i>Dow Jones U.S. Total Stock Market</i>	0.7%	1.5%	15.0%	15.9%	11.4%	12.0%	15.6%	1.8%	4.4%	7.2%
Boston Partners	0.0%	2.2%	18.6%	20.3%	13.3%	11.6%	15.2%	2.8%	5.8%	8.9%
<i>Russell 1000 Value</i>	0.0%	2.6%	15.1%	17.4%	11.7%	10.8%	12.8%	0.0%	3.1%	6.7%
Mellon Capital	0.6%	1.3%	15.0%	16.2%	11.9%	11.2%	14.6%	1.4%	4.0%	6.4%
<i>S&P 500</i>	0.6%	1.3%	15.0%	16.1%	11.9%	11.2%	14.6%	1.3%	4.0%	6.4%
Artisan Partners	4.0%	0.8%	18.6%	13.2%	11.5%	18.7%	25.5%	6.4%	9.2%	11.3%
<i>Russell MidCap Growth</i>	2.2%	1.9%	13.8%	12.1%	9.0%	14.5%	21.0%	2.9%	5.3%	9.4%
Geneva Capital	1.2%	0.5%	--	--	--	--	--	--	--	--
<i>Russell MidCap Growth</i>	2.2%	1.9%	13.8%	12.1%	9.0%	14.5%	21.0%	2.9%	5.3%	9.4%
AQR	0.7%	1.4%	7.9%	8.4%	4.3%	11.2%	15.5%	2.0%	--	--
<i>Russell 2000 Value</i>	0.3%	2.6%	13.3%	15.1%	7.7%	12.8%	14.3%	2.5%	3.4%	8.6%
Fiduciary Management	-0.4%	1.0%	8.6%	8.1%	6.2%	12.4%	--	--	--	--
<i>Russell 2000 Value</i>	0.3%	2.6%	13.3%	15.1%	7.7%	12.8%	14.3%	2.5%	3.4%	8.6%
International Equity Composite	1.2%	6.4%	12.4%	10.1%	2.6%	3.7%	11.1%	-4.6%	-0.3%	4.0%
<i>MSCI ACWI ex USA Gross</i>	1.9%	6.2%	13.4%	12.2%	3.0%	3.9%	13.3%	-3.4%	4.2%	9.5%
NTGI ACWI Ex-US	1.8%	--	--	--	--	--	--	--	--	--
<i>MSCI ACWI ex USA IMI Gross</i>	1.8%	6.2%	13.5%	12.2%	2.8%	4.2%	14.0%	-3.1%	4.4%	9.9%
Barings	0.6%	4.3%	11.7%	9.5%	3.8%	3.5%	11.7%	-4.3%	--	--
<i>MSCI EAFE</i>	2.4%	6.3%	13.7%	12.6%	3.9%	3.0%	10.7%	-4.7%	2.4%	7.5%
GMO Small-Cap	1.2%	8.1%	16.2%	13.3%	5.0%	6.8%	--	--	--	--
<i>MSCI EAFE Small Cap Gross</i>	1.0%	6.6%	15.6%	13.4%	4.3%	6.3%	17.1%	-2.0%	3.0%	11.7%
Barings EM	1.2%	8.2%	11.3%	8.5%	-4.1%	2.4%	--	--	--	--
<i>MSCI Emerging Markets</i>	1.3%	6.7%	12.7%	11.4%	-0.7%	4.4%	20.4%	-1.8%	8.6%	15.6%

Investment Manager

Annualized Performance (Gross of Fees)

Market Value: \$1,730.2 Million and 100.0% of Fund

Ending November 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Hedged Equity Composite	0.9%	1.8%	5.5%	5.0%	1.5%	--	--	--	--	--
HFRX Equity Hedge Index	0.5%	1.7%	4.4%	3.5%	-5.8%	-2.8%	0.6%	-5.0%	-1.6%	0.6%
Russell 3000	0.8%	1.6%	15.0%	16.0%	11.4%	11.8%	15.5%	1.7%	4.2%	6.9%
MSCI ACWI	1.3%	3.8%	13.6%	13.3%	6.3%	6.6%	13.4%	-1.8%	3.6%	7.3%
ABS	0.8%	1.9%	3.9%	3.3%	1.2%	--	--	--	--	--
HFRX Equity Hedge Index	0.5%	1.7%	4.4%	3.5%	-5.8%	-2.8%	0.6%	-5.0%	-1.6%	0.6%
Russell 3000	0.8%	1.6%	15.0%	16.0%	11.4%	11.8%	15.5%	1.7%	4.2%	6.9%
MSCI ACWI	1.3%	3.8%	13.6%	13.3%	6.3%	6.6%	13.4%	-1.8%	3.6%	7.3%
K2	1.0%	1.7%	7.3%	6.8%	1.9%	--	--	--	--	--
HFRX Equity Hedge Index	0.5%	1.7%	4.4%	3.5%	-5.8%	-2.8%	0.6%	-5.0%	-1.6%	0.6%
Russell 3000	0.8%	1.6%	15.0%	16.0%	11.4%	11.8%	15.5%	1.7%	4.2%	6.9%
MSCI ACWI	1.3%	3.8%	13.6%	13.3%	6.3%	6.6%	13.4%	-1.8%	3.6%	7.3%
Real Estate Composite	0.0%	3.2%	9.3%	12.2%	14.6%	14.4%	20.4%	2.9%	5.2%	11.6%
Custom Real Estate Benchmark	0.0%	0.8%	7.6%	8.5%	12.1%	14.2%	20.4%	0.0%	3.9%	10.3%
NFI	0.0%	0.9%	8.4%	9.5%	13.0%	13.1%	-0.3%	-1.4%	3.5%	6.5%
American Realty Advisors	0.0%	2.6%	8.6%	11.6%	--	--	--	--	--	--
NFI	0.0%	0.9%	8.4%	9.5%	13.0%	13.1%	-0.3%	-1.4%	3.5%	6.5%
Morgan Stanley	0.0%	3.5%	9.8%	13.4%	16.6%	--	--	--	--	--
NFI	0.0%	0.9%	8.4%	9.5%	13.0%	13.1%	-0.3%	-1.4%	3.5%	6.5%
UBS	0.0%	2.5%	--	--	--	--	--	--	--	--
NFI	0.0%	0.9%	8.4%	9.5%	13.0%	13.1%	-0.3%	-1.4%	3.5%	6.5%
Infrastructure Composite	-0.1%	4.3%	8.5%	10.1%	9.7%	--	--	--	--	--
CPI +4%	0.3%	1.4%	6.2%	6.3%	6.9%	6.3%	6.2%	6.0%	6.4%	6.6%
IFM	-0.2%	4.2%	9.3%	9.8%	10.7%	--	--	--	--	--
CPI +4%	0.3%	1.4%	6.2%	6.3%	6.9%	6.3%	6.2%	6.0%	6.4%	6.6%
J.P. Morgan	0.0%	4.4%	7.4%	10.4%	8.3%	--	--	--	--	--
CPI +4%	0.3%	1.4%	6.2%	6.3%	6.9%	6.3%	6.2%	6.0%	6.4%	6.6%

Total Fund Composite

Fee Schedule

Market Value: \$1,730.2 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee ¹	Industry Average ²
Core Fixed Income	J.P. Morgan	0.20% on the first \$100 million 0.15% on the Balance	0.16% \$554,066	0.24%
Core Fixed Income	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$51,922	0.08%
Large-Cap Value	Boston Partners	0.40% on the first \$15 million 0.30% on the next \$25 million 0.20% on the next \$25 million 0.15% on the next \$35 million 0.10% on the Balance	0.21% \$267,453	0.51%
Large-Cap Core	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$43,884	0.09%
Mid-Cap Growth	Artisan Partners	0.80% on the first \$50 million 0.60% on the next \$50 million 0.50% on the Balance	0.80% \$406,676	0.68%
Mid-Cap Growth	Geneva Capital	0.55% on the Balance	0.55% \$218,132	0.78%
Small-Cap Value	AQR	1.00% on the first \$25 million 0.85% on the next \$50 million 0.75% on the Balance	0.94% \$401,834	0.95%
Small-Cap Value	Fiduciary Management	0.70% on the first \$10 million 0.65% on the next \$40 million 0.60% on the next \$25 million 0.50% on the Balance	0.66% \$332,431	0.83%
Non-U.S. All-Cap Core	NTGI ACWI Ex-US	0.08% on the Balance	0.08% \$72,262	0.75%
Non-U.S. Large-Cap Core	Barings	0.75% on the Balance	0.75% \$888,091	0.68%
Non-U.S. Small-Cap Value	GMO Small-Cap	0.75% on the Balance	0.75% \$524,272	1.16%
Emerging Markets	Barings EM	0.75% on the Balance	0.75% \$431,241	0.92%
Hedged Equity Hedge FoF	ABS	0.85% on the Balance *redemptions quarterly with 45 days notice	0.85% \$760,990	1.37%
Hedged Equity Hedge FoF	K2	0.90% on the Balance *redemptions quarterly with 91 days notice	0.90% \$813,744	1.37%

Total Fund Composite

Fee Schedule

Market Value: \$1,730.2 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee ¹	Industry Average ²
Core Real Estate	American Realty Advisors	0.95% on the Balance	0.95% \$309,871	1.03%
Core Real Estate	Morgan Stanley	0.90% on the Balance	0.90% \$694,166	1.03%
Core Real Estate	UBS	0.955% on the first \$10 million 0.825% on the next \$15 million 0.805% on the next \$25 million 0.79% on the next \$50 million 0.67% on the next \$150 million 0.60% on the Balance	0.91% \$142,741	1.03%
Core Infrastructure	IFM	1.25% on the Balance Performance Fee: 20% of return above 8% on a rolling three year basis	1.25% \$827,403	1.80%
Core Infrastructure	J.P. Morgan	1.50% on the first \$50 million 1.55% on the Balance Performance Fee: 15% with 7% Hurdle (six year soft lock, effective lock 4.5 years)	1.51% \$924,551	1.80%
Private Equity	Adams Street	0.67% on the first \$50 million 0.60% on the Balance 10% carry on secondaries and co-invest (Effective Rate Over 15 Yr Term)	0.67% \$197,501	1.11%
U.S. Private Equity FoF	Siguler Guff	0.69% on commitment	2.37% \$276,000	3.82%
Cash Overlay	BNY Beta Management	0.025% on the Balance	0.03% \$7,639	0.20%
Total Investment Management Fees			0.53% \$9,146,872	0.74%
Custodian	BNY Mellon	\$50,000 Flat Annual Fee	\$50,000	N/A
Total Fund			0.53% \$9,196,872	

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Month End.

² Source: 2010 Marquette Associates Investment Management Fee Study.